



## **JOLEN ANDERSON & DAYMOND JOHN: Building Businesses and Empowering Entrepreneurs**

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Featuring:

Jolen Anderson, Global Head of Human Resources, BNY Mellon

Daymond John, CEO, The Shark Group

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**JOLEN ANDERSON:** Welcome to BNY Mellon Perspectives. I'm Jolen Anderson, Global Head of Human Resources at BNY Mellon. Our guest today is a leading entrepreneur, investor, and of course co-host of ABC's hit series "Shark Tank," Daymond John. As the founder, CEO, and master marketer behind the global lifestyle and clothing brand FUBU, Daymond John built his business from the ground up into a global retail giant with more than \$6 billion in sales. Daymond John is one of the most prolific and consequential Black investors of our time, and we are so pleased to welcome him. Daymond, thank you so much being with us.

**DAYMOND JOHN:** Thank you for such a great intro.

**JOLEN ANDERSON:** It's all true. And so that's really why we want to spend this time with you and introduce this conversation for all of our listeners. But can we just start from the beginning and maybe go back to the beginning. You grew up in Queens, New York, and your entrepreneurial talents were apparent at an early age. And in fact, you were selling homemade hats and T-shirts for years, right? And more than two dozen banks turned you down for a loan when you launched your clothing line FUBU. What kept you going?

**DAYMOND JOHN:** That's a good question because, actually, you said it. So I opened FUBU actually in '89, and I closed it down three times from '89 to '92, because I just ran out of money, but I would run out of \$500, \$1,000. I was making affordable mistakes. I think '92 was a very similar year to 2020 in our country. The Rodney King [police beating] had happened. There was, the chokehold was being implemented. I think Bill Barr was in the White House. People of all colors, they were marching in the street over what they felt was injustice, and they were burning businesses instead of building businesses. And I realized at that time that the only way for me to empower myself was to tap into my community and find a way to not just rah, rah, rah. What was I going to do? And then I made a go at

FUBU in '92.

I really wouldn't get public recognition until '97, '98. But what kept me going is I had three great partners who stuck by my side, an amazing mother who believed in me, a community that believed in me, customers that believed in me; and I was doing something I loved. And I blinked my eye, and 10 years would pass by.

JOLEN ANDERSON: Yeah, and I so appreciate to your point, the similarities between the time in which you began the brand and where we found ourselves as a country in 2020 and today. And I know that some of the T-shirts you were making said things like, "What happened to Rodney King?" and I'm sure those things really spoke to our community and really resonated with people at that time, and using streetwear and design to send those messages was really a key moment, and I'm sure it actually helped the brand stand out in a major way. And it's funny, because FUBU actually remains one of the few streetwear brands from the late '90s and early 2000s that survived and remained Black-owned. So what's your secret to maintaining the company's success?

DAYMOND JOHN: Well, the company went through its ups and downs. Listen, the reality is most fashion brands last five to seven years. There are unicorns like Nike and Louis Vuitton, but it's not just brands of color. When I got into the market, Levi's was doing \$18 billion [revenue], I think they're doing \$3 billion now. It's still great, but it hurts, right? Where's United Colors of Benetton? Where's Le Tigre?

And what happens is, a kid who has four years of FUBU in their closet, and they're in high school, they move on to college. They may want to change up their look, they're in a different frame of mind, but I think what keeps FUBU alive, and we are probably at 10 percent of where we used to be in regard to global sales, but we're one of the top brands in the Philippines and South Africa and Germany. And we're starting to get back into Australia and bringing the brand here. People are buying it now, but I think it's the authenticity. It's just that, we don't do anything that we feel that our consumer would never want us to do. We don't stress it. We understand when people buy other things, we don't say, "How dare you." And we just keep pushing ourselves, and do we make mistakes? Absolutely. But we don't want to sell the brand.

JOLEN ANDERSON: Yeah, no, I so appreciate that connection, that authenticity to your point. Really staying grounded in the roots of the company makes a lot of sense. I look back at the work that you do, and entrepreneurs in general, frankly – my background is as an attorney before I became an HR professional – so that bug, that sense of being an entrepreneur is not something that always resonates with me. So, I'm not sure if it's something that you're born with, if it's a calling, if it's a talent, but certainly we know that we need more Black entrepreneurs for sure. So I would just love your perspective on what you think the future of Black entrepreneurship is.

DAYMOND JOHN: Well, I think entrepreneurial thinking is something that all of us can execute. I think that you even, when you work within a big system, that's very hard to do. You're working with a lot of personalities. You're working with regulations, you've got to hit the numbers, the board, the stocks, so it's not easy. And I think that there is entrepreneurial thinking within a system. The challenge we have as Black entrepreneurs is that we just don't come from legacy wealth. We don't

come from grandparents and great-grandparents and great-great-grandparents giving us the fundamentals of what they did to establish these businesses. And when we're four or five and six and seven years old. Right? I think also, there are systemic issues that do hinder our progress. We do not have a fair shake at it, the way that other people do.

So how do we empower ourselves now? Well, we go out and seek mentors, we go educate ourselves. We do understand the banking system, we do go and talk to a banker. Most people in this country don't have financial intelligence and African Americans, if you were marginalized or systemic issues have of course hindered this all, then you even have less of a chance of success as some of our counterparts do. And we have to educate our entire community.

We have to start looking at people like you as the hero in the community. There are rappers, I get it, and there are athletes, but there are more heroes in the community who are dressed up like the heroes that are in disguise in our community. The heroes in disguise, they are city workers, they're teachers, they're members of the church. And often we let the media glamorize everybody else, except for the ones we should be listening to.

JOLEN ANDERSON: Yeah. I think what you say just resonates so much, and the idea of financial literacy and making sure that people have connection to address some of the systemic issues that you mentioned, is so critical. And I know you personally put a lot of work into addressing some of those systemic issues. And in fact, last year, I know that you hosted your second Black Entrepreneurship Day at the Apollo Theater, and the [National Association for the Advancement of Colored People] gave grants of \$25,000 to 10 Black entrepreneurs, 61 million people watched this thing online. Tell us about what that was like. What was your biggest takeaway with respect to that event?

DAYMOND JOHN: Very exciting. It was very exciting because this is my second one. The first one started right after what happened with George Floyd. As I said, I saw people burning businesses instead of building them, and I figured that a lot of these young brothers and sisters just needed to know how they could apply that energy to build something stronger in their community. So I figured somebody else was going to do it, but nobody else did at the moment. And I called up a couple of corporate friends, I called up a couple of celebrities, and I found that people like Chase and Facebook, and so many people wanted to give money and help. So we gave away, as you said, 10 grants of \$25,000 to small businesses that needed to keep their doors open.

And I interviewed people like Shaquille O'Neal and Bob Johnson and LL Cool J and Ice-T, and people you wanted to hear, what trials and tribulations they went through at early stages of their life, or even today, so you can say, "Oh, I'm going through it too. OK, it's not that bad." And you want to see people up on that stage that you want to be like, or you want to relate to. And listen, I just hope that it helped people, and we're going to keep doing it, but it really showed me that a lot of the companies out there do want to get behind initiatives of empowering the communities that they serve.

JOLEN ANDERSON: It's so true. And certainly again, it resonates with me, and same at BNY Mellon. A lot of work that we do is definitely trying to do work in communities, bring messages like this forward and make sure that we are advancing pathways for underrepresented talent in many different

ways. I know it's probably no surprise, the top-hour thing that most people try to talk to you about, is your time with ABC's "Shark Tank." It's a fantastic show. I know many people really enjoy it, and I'm sure many of our listeners of course have seen you in action on the show. So what's the biggest challenge in being a Shark?

DAYMOND JOHN: The biggest challenge in being a Shark is actually saying no, especially after COVID. You couldn't go on the show and say, "Before COVID, my business was screwed, and by the way, now I'm really screwed." That's probably not a good pitch, but most people we have seen are, there's a lot of resilient people that get on that stage and say, "Before COVID, either I was working someplace, or my business wasn't doing well. I pivoted, I shifted, and boom!" And it's up to us to say no. A lot of people sit there and say to me, "Daymond, how dare you judge those people?" No. Only God can judge you. I'm only judging if this investment is right for me. That does not mean that it's a bad investment. I may not know anything about that area of business.

I add no value. You take my money and then you call me for help, I can't help you. Shouldn't that money come from somebody who can give you some answers, give you distribution or some technology? So the biggest problem and challenge is saying no, because it's infectious when you see somebody get up there and they've risked everything, they have a great smile, they're going to be great partners, they're good people, and you have to say no to them in front of millions of people. It's hurtful, and you wish them the best.

Kevin O'Leary would say, "Oh, stop that's business" and "It's going to crap." I'm not going to say that. How dare I say that? Because who are we to say, what's the next Rubik's Cube? Or, what was that one – a Snuggie? If somebody told you, "I got two holes in a blanket," you would've been like, "Uh..." and they'd be like, and "I'm going to do \$300 billion." What would you have said, right? Or the Pet Rock. It's not my position to tell you that. So, the hardest thing is to say no. And we don't know anything about those people, and an average pitch is an hour long, there's 16 cameras shooting a pitch, so it's 16 hours of footage to come up with the eight minutes that you finally see.

JOLEN ANDERSON: Wow. I had no idea. Thank you for that little behind-the-scenes insight. And I can imagine that you meet these entrepreneurs, and they have such passion and commitment to their businesses, and certainly prioritizing and understanding where you can get involved and really working on projects that you're passionate about and you feel like you can help with becomes the guidepost. And so, with that in mind, I'd love to hear about what one of your favorite investments from "Shark Tank" was, and why was it the most rewarding?

DAYMOND JOHN: My favorite investment from "Shark Tank" is the number one product that's ever been invested in in "Shark Tank" history. Now Ring doorbells did not get an investment, but they sold for \$1.2, \$1.3 billion to Amazon. But the one that did get an investment is mine. So why is that one of my most fulfilling moments? Well, first of all, I can tell all those bozos I call my fellow Sharks, I can just remind them that I have number one. So just from a superficial ego side standpoint, it's really working out for me.

But... it's Bombas socks. I went on the show, I had 10 clothing brands. Nine of them were dead, it was '07; nobody was buying clothes and they couldn't pay their rent. So the last thing I wanted was

another clothing company, because I wanted to diversify my portfolio.

I wanted to be able to go to the department stores and say, "I'll sell you some Cool J and FUBU on this floor, but I want real estate for fragrance over here, I want real estate for plates." OK, so last thing I wanted was socks. They come on, they pitched me, but, it was fascinating. They were dealing direct to their consumer, because social media started to change at that moment. Right around year 2010, 2011, people really started to buy more than retailers. So I was at the mercy of the retailers. Plus, every time they sold a pair of socks, they gave away a pair to those in need, the homeless. And so far to date, we've given away socks, underwear and shirts. We've given away 60 million pairs to people in need.

But why else is it fulfilling? Because I realized one thing, I'm used to the old way of marketing. I splash a big old FUBU, a Cool J on something. Everybody sees it. If everybody watching us today was wearing a pair of Bombas socks, we would not know it, because it's covered by their shoes. But today's consumer not only wants to know what you're doing for them, because the sock is a beautiful sock. They want to know what you're doing for somebody else.

And unlike 20 years ago, where I may have said I gave at the end of the office, my daughter who was 18 years old, works in a pizza parlor, would tell me, "I gave 20 times this year." How did you give 20 times this year? You work in a pizza parlor. "Every time I bought this, I helped clean up the ocean. Every time I bought this, I tried to stop human trafficking. Every time I bought these pair of socks, a person in need got a pair. And not only that, I'm going to buy Bombas socks for everybody for Christmas. Because when you get your 10 pairs of socks, I want you to know that you helped 10 people." And that's critical for us to learn, because no matter what company you work with or whatever, people want to know, what do you believe in? Who are you helping? Where is my money going, and we're in a certain day and age where the consumers dictate everything. There's no more making, they will come. They're like, "No, I can buy whatever you got from anybody else. Why am I buying it from you?"

JOLEN ANDERSON: Yeah, there's a lot of parallels, what you just described, with respect to what we're seeing in corporate America as well. That idea of having purpose-driven growth, it's something that we talk a lot about at BNY Mellon. The employees that we attract, develop and retain – they want to work with companies that are making impact in their communities. And so we have to think about that, and how we do that with respect to, of course, being commercial, but also giving back to the communities in which we live and work. It's so critical. You talked about diversifying your business on your portfolio, but I'd love to talk a little bit around diversity efforts in general, by businesses and corporations, and the ways in which they're working to advance diversity, equity and inclusion. What are you feeling and hearing from other Black entrepreneurs?

DAYMOND JOHN: Well, there are a lot of initiatives out there. They are not the false, putting "lipstick on a pig" initiatives; these are internal initiatives. This is not "the government is making a standard" – they are, in some sense, but a lot of companies are saying, whether it's the 15 percent pledge, or whatever, they're saying, we want to make sure that we give people in various areas, LGBTQ+, women, veteran businesses, as well as African American business opportunities. So I am seeing that, but it doesn't happen overnight, because again, if we don't come from legacy wealth or history, then

our grandfather's not necessarily a manufacturer who could take on the capabilities of being able to manufacture for McDonald's. Right?

So, we have to build these infrastructures and collaborate with people, of not necessarily of our background and culture, but allow us to do healthy collaborations where we still own what we have, and we use people as strategic partners, and that needs to happen. But I'm also seeing a little bit on the corporate side, people saying, "We need people in here who look like the people we serve." And it's not going to happen overnight though. It's something that there's a lot of conversations that we have, but I am seeing a more significant change than I've seen in the past 30 years.

JOLEN ANDERSON: Yeah. It's really great to get your perspective, and to your point, the ways in which organizations – and generally we're starting to see changes certainly more work to do – but the progress and holding ourselves accountable for that progress, I think, is incredibly important. I want to turn maybe to a bit of a fun fact. So in addition to all the work that you do, I know you made a cameo appearance in the hit TV show "Billions" this season. So, question: Is it harder to play yourself on "Billions" than it is to be on "Shark Tank?"

DAYMOND JOHN: I'm not sure if I remember the episode you're talking. I think maybe it was Season Four, Episode Seven, 34 minutes in, 34 minutes to about 35:30.

JOLEN ANDERSON: Probably.

DAYMOND JOHN: I think that's the one you're talking about.

JOLEN ANDERSON: Yes.

DAYMOND JOHN: I needed to be nominated.

JOLEN ANDERSON: Yes. The award-winning performance. I think it's under consideration.

DAYMOND JOHN: Yes. Thank you. It is super easy to play me. I want to look at roles where I could play somebody else. Do I want to be an actor? No, not necessarily, but it is super easy to play me because nobody can say, "Well, you're getting yourself wrong." That's not the motivation for the part, but it is so fun and it is fascinating to sit across the table from when I do work with a really well-known actress to see them in their zone, in their craft, and I just feel so like, "I do not belong here." But it's an honor and it's fun, it's nerve-wracking, it's very scary. But you know, if I don't try it, you never know where I would go. I'd be kicking myself in the butt.

JOLEN ANDERSON: Excellent. Well, you heard it here first. I'm sure some of our listeners may have their parts ready to go and you can give us credit if you get that off script at some point.

DAYMOND JOHN: Thank you.

JOLEN ANDERSON: Say we heard it here first. So of course we're in Black History Month and I know that you're such an inspiring leader to so many people, but I'd love to hear what Black leader inspires you.

DAYMOND JOHN: So that is a really long list. Yeah, that is such a long list from – and we call them leaders – whether it's Muhammad Ali, or whether it's Marcus Garvey, or obviously Malcolm X and Martin Luther King, Jr. And of course, I had the honor of serving as an ambassador for President Barack Obama. They all inspire me, but the generation before ours inspired me really. They were risking their freedom and their lives every single day, and there's so many unsung heroes that we will never know of.

Maybe we'll hear of a Harriet Tubman, but how many people were helping Harriet? It is truly amazing. The forefathers of ours who gave me this opportunity to be a free man and somebody who can be here with you today and be respected because of all the work they put in.

JOLEN ANDERSON: Yeah, no, I so appreciate that. And that legacy and history is so important. The Bank of New York was founded [237] years ago by Alexander Hamilton. We like to say our first wealth management client was Eliza Hamilton. So there's a rich history with respect to the bank, and then to be writing the new chapter of what it means to represent talent, be active in our community in a way that considers that diversity, that inclusion – that evolution, I think, is so critical. Many of the people that you mention are certainly so important to that journey, and we can look to them for inspiration, for guidance, for all the things that really help us drive this work forward. So it's really nice to hear you reflect on that, particularly this month, and continue to think about the ways in which we're inspired by our history is so important.

Now I know we're coming to a close, I'm so grateful for your time today. I have one last question, which I think is so important maybe to leave our listeners with, which is really a message for young people, especially young people of color, of course, who are thinking about starting a business of their own. What advice or messages would you share with them?

DAYMOND JOHN: Well, whether it's a person of color or anybody else, but certainly a person of color: In organizations, we are usually the last to hire and the first to fire, and we have to work twice as hard as everybody else. That's just what it is. Let's just call it what it is. And we have to take on that task, but we also have to know, every time that I got turned down, I didn't take it out on the other person or assume that they turned me down because, maybe I didn't have a college education, maybe I didn't come from money, maybe because I'm Black, maybe because I'm a man. You know what I did? I looked at myself and I said to myself at the mirror, "Was I able to convey my message in a short enough time where it showed value to what I was giving to the person?" That person has their own problems. They have their own ambition, they have their own dreams, their own ideas.

Was mine better? And can I show them how we work together? I can make their life just a little bit easier. Did I ask the right questions? Did I listen twice as much as I was speaking? Because people want to feel important. And then I came back and did my homework on the target, on what that person needs in life, and then I went back to the person, and if they still didn't understand, well then you know what, I'm not going to take it anyway. I hacked myself well enough. Maybe they didn't get it. Maybe they had argument with their husband. Maybe it wasn't a great time for them. Maybe they're overloaded. And you know what I did after that? I kissed another frog, and then I kissed another frog and I just kept going down the road.

I got manufacturing distributed by Samsung's textile division. Does anybody know that Samsung has a textile division? Well, I didn't go after the first five and 10 and the first 20 hot brands. They were hot. I went up to brand number 200, who wanted to be number one. And when you keep doing that, whether it's my partners, as I found, is my three other founding partners or anybody, or as soon as you go down the line, you do a couple things. Number one, you hack yourself and you see if you have something great, because after a while, if you really don't have the passion on it, maybe it's just not a good idea. And you also perfect the craft for the pitch. And then you find people, sooner later that say, "I needed you here. I have value for you, if you have value for me."

And you just got to keep going. So that's number one, right? Don't take it personally. Number two is, whether you're African American or whether you're white, we're not taught financial intelligence in school, when we grow up, and everything revolves around money, credit. We don't know how taxes necessarily work. Well, you don't know a lot of different things. And at the age of 18 years old, you could potentially acquire \$500,000 worth of student debt, and do you know what you're doing with it? So financial intelligence is critical. They just don't teach it to us in school. They teach us how to play a trumpet and they teach us how to build a birdhouse, but they're not teaching us how to balance a checkbook, and you know better than I do, I don't care if you're the CEO of the house or the CEO of a Fortune 100 company, you're going to have to know how numbers work, period. And I think that's critical for us.

JOLEN ANDERSON: Yeah. Fantastic words of wisdom. Persistence, determination, hard work, disrupting yourself, not taking it personal and making sure that you have the information that you need to drive your organization forward: I think those are just such key lessons that can be applied in so many different circumstances and really powerful words to leave our listeners with today. Daymond John, thank you so much for being with us. We really appreciate this conversation.

DAYMOND JOHN: I appreciate it as well, and we need to see more heroes like you. We've seen all the athletes and we've seen all the music artists. We need to see more Daymond Johns and people like you who are just behind the scenes, but they're doing what they've got to do, and they're people that we can look up to.

JOLEN ANDERSON: That's right. Thank you so much for that. I really appreciate that. And whether or not I'm wearing a cape today, I'm happy to say that I'm Jolen Anderson, this is BNY Mellon Perspectives. Thank you for listening to our session, and we'll see you next time.

GARRETT MARQUIS: Hey everyone, this is Garrett Marquis, Global Head of External Communications here at BNY Mellon. Thanks again for joining. I hope you enjoyed that conversation. Keep listening on Apple Podcasts, on Spotify or wherever you consume your podcasts. Most importantly, if you're willing, leave a review or a rating and tell us your feedback. You can find us on social media – LinkedIn, Twitter, Facebook, Instagram – and BNYMellon.com. Thanks for listening. We'll see you at the next episode.

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